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S E C R E T SECTION 01 OF 08 TOKYO 006404

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Classified By: Ambassador J. THOMAS SCHIEFFER. Reasons 1.4 (B), (D).

[1](#)1. (S/REL AUS) Summary: U.S., Australian, and Japanese Ambassadors for Counterterrorism and their interagency delegations held the second round of trilateral counterterrorism consultations in Tokyo on October 24. Participants offered general threat assessments for Indonesia, the Philippines, and Thailand. The Australians believed that while Jemaah Islamiyah (JI) was adapting to governments' counterterrorism efforts, JI's rhetoric was not gaining political traction in Indonesia. A Japanese delegate worried that the impasse in the peace process between the Philippine Government and the Moro Islamic Liberation Front might be exploited by terrorists. S/CT Ambassador Crumpton was concerned that the ethnic conflict in southern Thailand could be cast into the larger radicalization context. Crumpton provided a brief review of progress in the war on terror in Iraq and Afghanistan and U.S. views on Iran's terrorism activities at the request of the Japanese delegation. The three sides expressed concern about North Korea selling weapons of mass destruction to terrorists and about the threat of bioterrorism.

[1](#)2. (S/REL AUS) The six breakout sessions discussed law enforcement/legal affairs, maritime security, border/transport security, terrorist financing, intelligence sharing, and biological terrorism. There was consensus in all sessions that the three countries should share assessments and coordinate training efforts. Proposals for

future cooperation included supporting currency reporting systems in Southeast Asia in an effort to stop terrorists from transporting bulk cash to finance their efforts, and sharing open source analysis to inform counter-radicalization efforts. The U.S. and Australian delegations also emphasized the long-term need to challenge terrorist ideologies. A U.S. delegation debrief highlighted concerns about the lack of time for in-depth discussion and concrete proposals for the future, noting Japanese hesitancy as a recurring problem. The delegates encouraged intersessional work to prepare deliverables for the next trilat which Australia will host in early 2007. End Summary.

13. (C/REL AUS/JPN) U.S., Australian, and Japanese Ambassadors for Counterterrorism and their interagency delegations met on October 24 in Tokyo for the second round of trilateral counterterrorism consultations. (Note: Refs A, B, and C are the reports from the inaugural meeting in September 2005.) S/CT Ambassador Henry Crumpton led the U.S. team which included participants from the Departments of State, Homeland Security (including Immigration and Customs Enforcement, Customs and Border Protection, the Office of International Affairs, and the U.S. Coast Guard), Defense (including PACOM), and Justice (including the FBI). Australian Counterterrorism Ambassador Mike Smith led the GOA delegation which included representatives from the Department of Foreign Affairs and Trade, Department of Defence, Attorney-General's Department, Australian Customs Service, Australian Transaction Reports and Analysis Center, Australian Federal Police, Department of Immigration and Multicultural Affairs, Department of Transport and Regional Services, Office of National Assessments, and the Department of Prime Minister and Cabinet. International Counterterrorism Cooperation Ambassador Akio Suda headed the Japanese delegation which included officials from the

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Ministry of Foreign Affairs, Cabinet Office, National Police Agency, Japan Defense Agency, Ministry of Justice, Public Security Intelligence Agency, Ministry of Finance, Ministry of Land, Infrastructure and Transport, Coast Guard, and the Research Institute of Science and Technology for Society.

Opening Remarks Highlight Continued Threat

14. (C/REL AUS/JPN) Japanese Counterterrorism (CT) Ambassador Suda opened the meeting by reminding participants of the continued threat of terrorism, noting terrorist attacks that had occurred since the inaugural September 2005 trilateral meeting - primarily the October 2005 Bali bombings and the disrupted August 2006 London airline hijacking plot. (Note: He later suggested that the trilateral partners discuss aviation security in response to the plot.) Suda highlighted the evolving methods of terrorists and the continued appeal of violent Islamic extremism as challenges we face. Ambassadors Crumpton and Smith agreed and reiterated the importance of eliminating stove pipes and fostering interagency cooperation to better combat terrorism. They also expressed their desire for concrete, practical outcomes on which to move forward.

SE Asia Assessment: Indonesia, Philippines, Thailand

15. (S/REL AUS/JPN) Session I began with general assessments of the terrorist threat. Australian CT Ambassador Smith summarized developments in the Southeast Asia region. Jemaah Islamiyah (JI) operatives were responding to governments' counterterrorism efforts by adapting their methods and ideology, he said. They were increasingly using the internet, promoting the single narrative of Muslim victimhood, and successfully evading authorities. On the positive side, however, JI's appeal and tactics were not gaining political traction in Indonesia, Smith believed. The Indonesian parliament supported UN declarations on terrorism and moderate Muslim leaders were arguing against terrorist diatribes. Indonesian law enforcement and intelligence

authorities were also disrupting JI networks and reducing its capabilities. He noted that ongoing efforts in Jolo in the southern Philippines were forcing JI operatives to flee.

16. (S/REL AUS/JPN) The bigger, long-term challenge was the ideological battle, Smith emphasized, stating that we needed to do a better job of replying to JI rhetoric with appealing counterarguments. Australian Office of National Assessments Southeast Asia Assistant Secretary David Engel added that Indonesians had a developing attachment to democracy and did not see it as contradicting Islam. Indonesians were expressing themselves more as Muslims in recent times but greater religiosity should not be equated with radicalization, Engel cautioned. S/CT Ambassador Crumpton agreed with the GOA assessment and added that he was concerned that the ethnic conflict in southern Thailand could be cast into the larger radicalization context.

17. (S/REL AUS/JPN) Taeko Takahashi, Minister at the Japanese Embassy in Manila, was concerned that the peace process between the Philippine Government and the Moro Islamic Liberation Front (MILF) was at an impasse that might be exploited by terrorists. She said that the Japanese would try to pressure officials to get back on track and suggested U.S. and Australian officials do the same. Japan was taking a more active role in the peace process as well, Takahashi added. In July 2006, Japanese Foreign Minister Aso announced that Japan would send an expert to monitor the rehabilitation and economic development situation in the MILF-conflicted areas as part of the International Monitoring Team. This expert would be supported by a "Mindanao Task Force" made up

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of officials from the Japanese Embassy, Japan International Cooperation Agency, and Japan Bank for International Cooperation.

Stocktake of Iraq/Afghanistan/Iran

18. (S/REL AUS/JPN) At the request of the Japanese delegation, Ambassador Crumpton briefly reviewed of the status of the war on terror in Iraq and Afghanistan and U.S. views on Iran's terrorism activities. He acknowledged that violence in Iraq continued at high levels and that the insurgency was being used as a recruiting tool by terrorists.

He said there were four types of violence in Iraq: international terrorism perpetrated by al-Qaeda in Iraq, sectarian violence (mainly Sunni v. Shia), the insurgency against Coalition forces, and criminal violence (kidnapping, etc.). Ambassador Smith did not believe that Southeast Asian terrorists were involved in the Iraq insurgency, although they had been in Afghanistan. He lamented the role of Iran and Syria in introducing jihadis into Iraq and asked about the threat of returning jihadis; would Iraq have larger numbers than the conflict between Afghanistan and the Soviet Union? Crumpton replied that the number of foreign fighters leaving Iraq was very small because they were either suicide bombers or killed in combat.

19. (S/REL AUS/JPN) In Afghanistan, NATO and Coalition forces were doing well, Crumpton stated, but there was still the problem of poppy production and economic development. A U.S. delegation of senior executives recently went to Afghanistan to look at investment opportunities, he noted. Japanese delegates inquired about terrorism from Pakistan, as Indian officials had expressed concern to them about Pakistani terrorists committing acts across their border. Crumpton stated that Pakistan had captured more al-Qaeda leaders than any other country and that the main concern was the stability of the Musharraf government. If Musharraf were overthrown, what would happen to Pakistan's nuclear weapon arsenal?

110. (S/REL AUS/JPN) Iran was the most active state sponsor of terrorism since the revolution of 1979, Crumpton assessed. Iran was sponsoring activities inside Iraq by providing training and explosives to insurgents, supporting attacks

against Israel through Hezbollah, and supporting Sunni terrorist groups in a temporary alliance. The Iranian Government was also holding al-Qaeda leaders as "bargaining chips," he said.

Potential for DPRK to Sell Weapons to Terrorists

¶11. (S/REL AUS/JPN) The Japanese delegation also requested U.S. and Australian comments on North Korea's recent nuclear test in the context of the DPRK selling such weapons to terrorists. Secretary Rice was firmly committed to maintaining security on the Korean Peninsula and was similarly concerned about North Korea selling weapons to terrorists, Ambassador Crumpton said. He mentioned that the U.S. was currently conducting an intelligence assessment on North Korean capability to conduct terrorist actions, including employment of a nuclear device and would share that review when it was complete. He was particularly concerned about North Korea infiltrating South Korea or Japan with a CBRN weapon.

¶12. (S/REL AUS/JPN) Australian CT Ambassador Smith spoke briefly about the North Korean ship Pong Su which was captured smuggling drugs into Australia (Ref D). He recalled the recent GOA decision to ban all North Korean-flagged vessels from stopping at Australian ports in response to the DPRK's nuclear test. However, this did not stop the North

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Koreans from using vessels with flags of convenience, Smith said. He noted GOA concern that the DPRK had both the technological capability to produce weapons and a leader willing to go to any length to obtain money for the regime - a fortuitous combination for international terrorists.

Bioterrorism

¶13. (S/REL AUS/JPN) Crumpton believed bioterrorism was the least mature and least advanced portion of international counterterrorism cooperation, which was why the U.S. requested it be added to the agenda for the trilat. State's Senior Advisor for Bioterrorism, Biodefense, and Health Security Marc Ostfield explained that bioterrorism was at the intersection of several areas such as public health, law enforcement, foreign policy, and intelligence. It had no boundaries unlike other forms of terrorism and was much more difficult to contain. Interagency and intergovernmental cooperation were key to combating this threat and the U.S. welcomed suggestions from the international community about how to develop guidelines for prevention and response.

Overview of Current CT Programs

¶14. (S/REL AUS/JPN) The Japanese hosts gave a detailed presentation about their recent CT efforts, including their domestic Action Plan for the Prevention of Terrorism, amendments to the Immigration Control and Refugee Recognition Act, activities through the UN, CTAG, ASEAN, APEC, and ARF, and bilateral cooperation. They listed nine main areas in which they have provided capacity-building assistance to other nations: aviation security, port and maritime security, immigration, combating terrorist financing, customs cooperation, export control and nonproliferation, law enforcement cooperation, counter-CBRN terrorism, and counterterrorism international conventions and protocols.

¶15. (S/REL AUS/JPN) In FY 2006, Japan started two new frameworks: grant aid for cooperation on counterterrorism and security enhancement, and the Japan-ASEAN Integration Fund, funded at US\$63 million and US\$68 million respectively, Japanese officials continued. Under the former framework, a US\$1.75 million grant of three patrol vessels to Indonesia had already been given. This was an exception to the Three Principles on Arms Exports, Japanese officials noted. Japan also pushed CT as an agenda for ASEAN at the June 2006 ASEAN-Japan Counterterrorism Dialogue. MOFA International

Counterterrorism Cooperation Director Rokuichiro Michii said that ASEAN officials had been hesitant to use the term "counter-radicalization" in discussions because it implied that "Islam was wrong." They preferred to use the term "public involvement in countering terrorism" instead. Japan would continue to push for more activity on this front, he said.

¶16. (S/REL AUS/JPN) Ambassador Crumpton listed several areas in which the U.S. was advancing since the inaugural trilateral meeting: PACOM and DOD were working aggressively in the Philippines; the U.S. now had military-to-military relations with Indonesia which enabled increased engagement; DOD and State were cooperating more on funding for combating terrorism; transformational diplomacy had shifted positions to more troubled regions of the world which would help the U.S. understand more fully the local grievances that terrorists try to exploit; and the U.S. was keen to include the private sector in CT efforts that promoted economic growth.

¶17. (S/REL AUS/JPN) Ambassador Smith announced that Australia and Indonesia would co-host a subregional

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ministerial meeting on CT in Indonesia in mid-January (Ref E). The GOA had committed A\$450 million (US\$ 340 million) in CT assistance to Southeast Asia since 2004, focused on border and maritime security, law enforcement, and intelligence sharing. (Note: This figure does not include defense and select intelligence activities.) In May 2006, the Department of Foreign Affairs and Trade alone received A\$35 million (US\$ 26 million) over four years for additional CT programs aimed primarily at the battle of ideas, CBRN terrorism, and emergency/incidence response.

Breakout Sessions & Areas for Future Cooperation

¶18. (S/REL AUS/JPN) Session II reviewed breakout session discussions and potential areas for intensified trilateral engagement. There were six breakout sessions: law enforcement/legal affairs (chaired by the U.S.), maritime security (chaired by Australia), border/transport security (chaired by Australia), financing (chaired by the U.S.), intelligence sharing (chaired by Japan), and biological terrorism (chaired by Japan). (Note: Non-papers will be drawn up by each session chair summarizing key points and potential areas for future cooperation. These papers will be distributed to embassies upon completion. A brief summary of the breakout sessions follows below.)

¶19. (S/REL AUS/JPN) In the law enforcement session, participants discussed the importance of coordinating training efforts, perhaps through in-country joint meetings with designated CT POCs or on the Bali Process website. Referring to Indonesia specifically, they discussed current efforts to train prosecutors and the successful Japanese program of developing community policing, which Ambassador Smith noted had been very useful given the fear of approaching corrupt policemen. They also suggested that training efforts take advantage of regional centers such as the Jakarta Center for Law Enforcement Cooperation (JCLEC) and the Southeast Asia Regional Center for Counterterrorism (SEARCCT). The maritime security group discussed various assessments conducted by the trilateral partners, including a maritime needs assessment by Australia and the Border Control Assessment Initiative (BCAI) by the U.S., and the need to share such information so as not to duplicate efforts. Participants also discussed progress on the Coast Watch South initiative in the Philippines, for which a bilateral approach might be more appropriate at this time, according to the Australian delegation. The border/transport security session covered a range of areas such as identity security, including biometrics, movement alert lists, and lost and stolen passport information exchanges, as well as the need to screen air cargo. Air cargo was more of a vulnerability now that

cockpits had been fortified.

¶20. (S/REL AUS/JPN) Department of Homeland Security officials led a discussion on cash couriers and the movement of bulk cash in the finance session. With anti-terrorist financing efforts forcing terrorists to use cash instead of banks, there was a new need to create rules and penalties for transporting cash. Legislative reporting requirements were essential to force public involvement. The U.S., Australia, and Japan could work together to develop effective currency reporting systems in Southeast Asia.

¶21. (S/REL AUS/JPN) One question remained: how do we deal with virtual money transfers? On the intelligence front, participants discussed the importance of sharing lists of suspected terrorists and threat assessments. One possible area for cooperation was sharing open source analysis on particular countries or issues as a useful research element for counter-radicalization projects. The bioterrorism

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session emphasized the need to raise awareness of the threat and to force public health and law enforcement agencies to cooperate on prevention and response planning. Participants noted that public health elicited less sensitivity as a topic than counterterrorism so that might be a good way to frame efforts.

Follow-up on Manila Experts' Meeting

¶22. (S/REL AUS/JPN) Session III focused on follow-up discussion from the February 2006 Australia-Japan-U.S. trilateral counterterrorism experts' meeting in Manila. The Australian delegation gave an update on the GOA's adopt-a-port proposal which they said the Philippine Government would have to take the lead on, with discreet U.S.-Australia-Japan involvement. The port proposal had a "rough road ahead," Smith admitted. The GOA would hire a consultant to report on the feasibility of and options for working with specific ports. The GOA hoped to meet in May 2007 to discuss the report and possible contributions and start the project in July or August. The U.S. delegation mentioned that the BCAI report should be completed by December and that could direct efforts to a particular port as well. Ambassador Smith added that the BCAI could help raise awareness with the Philippine Government and encourage buy-in for the port proposal. Ambassador Crumpton raised the possibility of the adopt-a-port project attracting foreign investment as security improved. This would assist with the economic growth portion of our CT efforts.

Ideological Issues

¶23. (S/REL AUS/JPN) In Session IV, participants generated a discussion about the struggle to counter terrorist ideologies. U.S. analyst Katherine Marquis described different types of radicalism and activism, emphasizing that there was no unified extremist Islamic ideology. We needed to consider the possibility that Muslims who oppose bin Laden might also oppose us and think about how to connect with that constituency. "What issues resonate with Muslims?" Marquis asked. Is it really women's rights or more education? Crumpton underscored Undersecretary for Public Diplomacy and Public Affairs Karen Hughes' initiative to discredit terrorist rhetoric and look for common values. He also addressed the growing value of non-state actors as partners in countering extremist ideologies, mentioning several projects that private companies had already begun.

¶24. (S/REL AUS/JPN) Ambassador Smith reiterated the need to challenge the "single narrative" of terrorist rhetoric. He said the GOA had commissioned a survey in Indonesia about attitudes toward terrorism and hoped to do the same in the Philippines. The Indonesian Government's CT Coordinating Desk had approached Australia about supporting a documentary on how terrorism affects the daily lives of people. The GOA

was also looking at working with Islamic NGOs to promote moderate Islam, stigmatizing terrorism through media projects, and studying the economic costs of terrorism. He again stressed the need for the trilateral partners to conduct these efforts discreetly to create the biggest effect. Australian Department of Immigration and Multicultural Affairs Southeast Asia Assistant Director Glen Elson described Australia's domestic approach to countering extremism. The GOA released a National Action Plan (NAP) in July to build social cohesion and security. It would include establishing a National Institute of Islamic Studies, providing crisis management training, and starting education and employment initiatives.

¶25. (S/REL AUS/JPN) Ambassador Suda concluded the session by
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underscoring the need to address a range of issues to be most effective in the ideological battle, including poverty, education, government instability, and mutual respect and understanding among cultures and religions. He reinforced that this work would be most effective when conducted by non-state groups. Underlying Islamic radicalism was an anti-Western sentiment, he assessed. Though Japan was often seen as "Western" by its Asian neighbors, it still had a distinctly Asian history and culture that could help it play a unique role in countering extremist ideologies in Southeast Asia, he asserted. Japan found through its exchange program with Indonesian teachers that most teachers believed Islam in the Middle East was not "real" Islam; rather Islam in Southeast Asia was more authentic. The Australian delegation also found this to be the case. This belief could be exploited in future counter-radicalization projects, Suda noted.

Conclusion

¶26. (C/REL AUS/JPN) Ambassador Smith said Australia would host the next trilateral meeting in the first half of 2007, likely in March. He suggested that trilateral working groups at embassies in Manila, Jakarta, and Bangkok meet intersessionally to pave the way for concrete proposals at the next meeting. Ambassador Crumpton agreed that embassies should take the lead in maintaining the momentum of the trilateral. He also highlighted a few areas of particular interest that arose in the plenary discussion: biometrics, seafarer identification, stored value cards (as a terrorist financing problem), and cooperation on open source analysis.

Debrief Comments & Way Forward

¶27. (S) Comment: The U.S. delegation held a debrief on October 25 to assess the outcomes of the trilateral consultations and consider next steps. Overall, the delegation was disappointed with the lack of both substantive discussions in the plenary and breakout sessions and proposals for further cooperation. The main issue was the cautious and hesitant approach of the Japanese delegation. While the U.S. and Australian delegations came prepared with specific proposals and were ready to commit to action, the Japanese were not ready to put forth concrete ideas and seemed unable to agree to any actions during the consultations. The delegates also believed the breakout sessions were too short which did not allow for full engagement on the issues. The language barrier was cited as another hindrance to detailed discussions. On the positive side, there was consensus in every breakout session about the importance of sharing assessments and coordinating training efforts, including curriculum development and equipment provision.

¶28. (S) Ambassador Crumpton stated that the U.S. and Australia were ready to move ahead bilaterally with several proposals, but they would give the Japanese every opportunity to participate along the way. He suggested that we reassess after the next trilateral whether the trilateral

consultations were worth continuing and whether bilateral efforts with the Australians would be more productive. The U.S. delegation proposed the following ideas to ensure a more productive encounter at the next trilateral counterterrorism consultations in Australia in 2007.

--Work intersessionally to prepare deliverables.

This could be done in Washington and through more formal embassy trilateral working groups in Jakarta, Kuala Lumpur, Manila, and Bangkok. The Department would send a cable to

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these embassies to encourage such coordination and follow-up, focused particularly on threat assessments and training efforts. Embassies would also be encouraged to keep the trilateral framework in mind when proposing any CT programs.

Ambassador Crumpton will meet with Australian CT Ambassador Smith the second week of December at a conference in London. He suggested that the U.S. delegates prepare non-papers for each breakout session topic with brief summaries of U.S. thinking and proposals for further action. These should be ready by the end of November to pass to Embassy Canberra and Tokyo to obtain host government feedback. Crumpton could then confirm projects with Smith at their meeting.

Additional suggestions for facilitating more substantive discussions at the next trilat included having longer breakout sessions and conducting breakout sessions at the working level the day before the plenary.

--Make proposals to the Japanese about projects they could fund with their unused FY 06 CT budget.

Michii's presentation of the Japan's current CT efforts only showed a US\$1.75 million allocation out of US\$63 million for the new grant aid program for cooperation on counterterrorism and security enhancement. DHS Director for Asia/Pacific International Affairs Paul Fujimura suggested that we propose specific projects that the Japan could support from their remaining budget. The public/private economic partnership idea discussed in the plenary could be one area in which to engage the Japanese.

--On bioterrorism specifically, fold APEC events into trilateral work.

129. (U) This cable was cleared by S/CT.

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